#### REMARKS

The Examiner is thanked for the thorough examination of the present application and the indication that claims 22-32 contain allowable subject matter (Office Action, p. 4). The Office Action mailed October 12, 2006, however, tentatively rejected the remaining claims. This is a full and timely response to that outstanding Office Action. Upon entry of the amendments in this response, claims 1-32 are pending. More specifically, claim 1 is amended. These amendments are specifically described hereinafter.

## I. Present Status of Patent Application

Claims 1-4 and 21 are rejected under 35 U.S.C. 103(a) as allegedly being unpatentable over *Elfrig, et al.* (U.S. Patent No. 6,748,020) in view of *Komiya, et al.* (U.S. Patent No. 6,628,839). Claims 5-20 are objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all limitations of the base claim and any intervening claims. Claims 22-32 are allowed. These rejections are respectfully traversed.

# II. Rejection of Claims 1-4 and 21 under 35 U.S.C. 103(a)

Claims 1-4 and 21 are rejected under 35 U.S.C. 103(a) as allegedly being unpatentable over *Elfrig, et al.* (U.S. Patent No. 6,748,020) in view of *Komiya, et al.* (U.S. Patent No. 6,628,839). Applicant respectfully submits that the rejection has been rendered moot through the above-described amendment to claim 1. Further, Applicant respectfully submits that claims 1-4 and 21 are patentable over the references of record for at least the reasons set forth below,

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## Independent claim 1, as amended, recites:

- An apparatus in a network for transcoding a digital stream of compressed frames, the apparatus comprising:
  - a decoder adapted to decompress a frame having content information and non-content information included therein into the run-level domain, wherein the contentinformation carried by the frame is represented in run-level domain;
  - a processor adapted to determine the number of bits to shave (N<sub>S</sub>) from the frame, adapted to process the frame in the run-level domain to reduce the compressed bit size of the frame by approximately N<sub>S</sub> bits, wherein the content-information of the frame is changed from initial content information to final content information, and adapted to determine whether to requantize at least a given portion of the frame based on a reduction threshold determined from the number of bits to shave from the given portion of the frame and an initial content size for the given portion; and

an encoder adapted to compress the frame. (Emphasis added).

Applicant respectfully submits that claim 1 patently defines over the cited art for at least the reason that the cited art does not disclose the features emphasized above. For a proper rejection of a claim under 35 U.S.C. §103, the cited combination of references must disclose, teach, or suggest all elements/features of the claim at issue. See, e.g., In re Dow Chemical, 5 U.S.P.Q.2d 1529, 1531 (Fed. Cir. 1988) and In re Keller, 208 U.S.P.Q.2d 871, 881 (C.C.P.A. 1981).

Applicant respectfully submits that independent claim 1 is allowable for at least the reason that the combination of *Elfrig* and *Komiya* does not disclose, teach, or suggest at least a processor adapted to determine whether to requantize at least a given portion of the frame based on a reduction threshold determined from the number of bits to shave from the given portion of the frame and an initial content size for the given portion. Therefore, Applicant respectfully submits that claim 1 as amended is allowable.

For at least the reason that independent claim 1 is allowable over the cited references of

record, dependent claims 2-4 and 21 (which depend from independent claim 1) are allowable as a

matter of law for at least the reason that dependent claims 2-4 and 21 contain all the features of

independent claim 1. See Minnesota Mining and Manufacturing Co. v. Chemque, Inc., 303 F.3d

1294, 1299 (Fed. Cir. 2002) Jeneric/Pentron, Inc. v. Dillon Co., 205 F.3d 1377, 54 U.S.P.Q.2d

1086 (Fed. Cir. 2000); Wahpeton Canvas Co. v. Frontier Inc., 870 F.2d 1546, 10 U.S.P.Q.2d

1201 (Fed. Cir. 1989). Therefore, the rejection to claims 2-4 and 21 should be withdrawn and

the claims allowed.

III. Miscellaneous Issues

Any other statements in the Office Action that are not explicitly addressed herein are not

intended to be admitted. In addition, any and all findings of inherency are traversed as not

having been shown to be necessarily present. Furthermore, any and all findings of well-known

art and official notice, or statements interpreted similarly, should not be considered well known

for the particular and specific reasons that the claimed combinations are too complex to support

such conclusions and because the Office Action does not include specific findings predicated on

sound technical and scientific reasoning to support such conclusions.

### CONCLUSION

In light of the foregoing amendments and for at least the reasons set forth above,

Applicant respectfully submits that all objections and/or rejections have been traversed, rendered
moot, and/or accommodated, and that the now pending claims 1-32 are in condition for
allowance. Favorable reconsideration and allowance of the present application and all pending
claims are hereby courteously requested. If, in the opinion of the Examiner, a telephonic
conference would expedite the examination of this matter, the Examiner is invited to call the
undersigned attorney at (770) 933-9500.

It is believed that no extensions of time or fees for net addition of claims are required, beyond those which may otherwise be provided for in documents accompanying this paper. However, in the event that additional extensions of time are necessary to allow consideration of this paper, such extensions are hereby petitioned under 37 C.F.R. § 1.136(a), and any fees required therefor (including fees for net addition of claims) are hereby authorized to be charged to deposit account No. 20-0778.

Respectfully submitted,

/BAB/
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